

EXHIBIT 9
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Health and Human Services Subcommittee
Thurs. 1/22/09
Developmental Disability Services Hearing
9:30 – 11:30 a.m.

Madam Chair and members of the committee, for the record:

My name is Jason Loble. I am a partner with the Crowley Fleck PLLP law firm, in the Helena office. I am not here as a paid lobbyist. I am here today as a volunteer Board member of Helena Industries.

Helena Industries has provided job training and jobs for individuals with disabilities in the Helena community for 39 years. My dad helped to form Helena Industries and served on the initial Board. I am honored to be on the Board of HI because of the profound impact the organization has on the lives of the people it serves -- and the profound impact HI's clients have had on me. If you ever want to be uplifted and inspired by people who appreciate and take advantage of their opportunities, I encourage you to visit the facilities of Helena Industries.

I am also proud to serve on the Board of Helena Industries because it is an organization with talented and dedicated managers and staff. In my 12 years of being a small business attorney, I have worked with many great Montana organizations and seen many management teams operate. The team at Helena Industries is top notch. They are focused, compassionate and efficient. From very limited resources, they provide truly exceptional services to our clients with disabilities and the community at large.

On behalf of HI, I would like to share with you a significant need that we are asking the Legislature to address. This past July, Helena Industries and other organizations like it began a new way of doing business. The State has created an Individual Cost Plan for each person receiving services through the Developmental Disabilities Program. These plans identify how many hours of direct service the individual will purchase from a service provider such as Helena Industries. Helena Industries gets paid for these hours of service according to a published uniform fee schedule. The problem is that the rate for this service is not adequate to cover the actual cost of providing the service.

This inadequate funding has been substantiated by Norm Davis, the consultant who was hired to develop the new rate system for the Developmental Disabilities Program. Mr. Davis's analysis of the adequacy of the rates is available to you, if you specifically request it from the Developmental Disabilities Program Director, Jeff Sturm.

The effect of this inadequate rate on Helena Industries will be an estimated operational loss in excess of \$100,000 for this fiscal year alone. Helena Industries has modest operating reserves, but these have been reduced recently by our flagging economy and won't last long. We have already reduced our annual administrative costs by over \$100,000, so this rate situation will force the organization to make some extremely difficult decisions. These could include reducing staff or reducing the already inadequate wages and benefits for our staff. Both of these actions would reduce the effectiveness and quality of the services we provide and could, in the long run, result

in the failure of our services all together. Of course, persons with disabilities who depend on us will be hurt the most.

My understanding is that there is no funding in Governor Schweitzer's budget to increase these inadequate rates. It will be up to the Legislature to decide whether this problem will be fixed or if services for persons with disabilities will be jeopardized. On behalf of the people we serve, we ask that you obtain the information necessary to understand this problem and take the necessary actions to put money into the budget so that the fees we receive for these critical job training services will pay for their actual cost.

Throughout HI's history, we have been fortunate to receive outstanding community support, including support from the Montana Legislature. This has enabled the organization to help literally thousands of individuals with disabilities enjoy the dignity and self-respect that come with having a job. We ask for your support at this time, but we also want to express our gratitude for this past generosity.